Quantitative Concept Testing - Encore

Overview
As the end of the course approaches, it is time to, once again, give the consumers in the marketplace a chance to evaluate and comment on your teams' final new product/platform concept (or concepts) as it has developed and evolved since the first time it was concept tested according to Assignment 15. Furthermore, by asking the Purchase Intention Question (PIQ) with actual prices, your team will be able to gain a sense of the price point that consumers think the new product(s) should sell for at retail. Finally, the results of the PIQ will also give provide an estimate of the trial rate to use in your market share prediction model.

Concept Testing Procedure
Each team will use the same concept testing procedure as previously employed and described in Assignment 15 and its accompanying handouts; however, there are two minor changes: 1) testing will be conducted with fewer concepts, and 2) realistic prices will be used in the PIQ. First, each team will test, in concept card format, the one or two product/platform concepts being developed for Pactiv, along with two additional concept cards created to represent good existing alternative products that attempt to solve the same or similar problems that your developing concept(s) is aimed at solving. The concept card(s) developed for the new product(s) should represent, as accurately as possible, the product’s functionality and appearance as they currently exist in the prototype models. All the rules and guidelines previously provided for developing concept cards apply to the development of these 3 or 4 new cards.

Second, by now each team should have some general idea about the COGS (Cost of Goods Sold) for the new product/platform. Use this information as a basis for estimating what the retail price will be. Next, test this price along with two others that are higher, and two other prices that are lower than your teams' estimated retail price. Also test the two existing products at five different price points centered on each one’s actual retail price. Start testing at the highest price first, then work down until the respondent says “yes, she would buy it” or until all five prices have been asked and the respondent has said “no” to each one. Consequently, the maximum number of concept testing questions you will ask for any one concept will be ten (believable, unique, solves a problem, would buy {up to 5 PIQ’s}, like most, and dislike most).

All the other aspects of the quantitative concept testing from the previous exercise will apply this time as well. Score the data derived from these respondents to determine 1) a buyer score for each concept; 2) an average price respondents say they would pay to buy the product; and 3) an estimate of the trial rate based upon the answers to the PIQ questions.
In class on Tuesday, April 18th, present the results of this round of concept testing and tell the faculty/class what each concept’s buyer score is and, based upon the results from the PIQ’s, explain what estimate of the trial rate for the new product your team will use in your market share prediction. These results should also appear as a slide in your final presentation to Pactiv on April 25.